1 2	PRESTON DuFAUCHARD California Corporations Commissioner MICHAEL PINKERTON Deputy Commissioner		
$\begin{bmatrix} 3 \\ 4 \end{bmatrix}$	ALAN S. WEINGER Lead Corporations Counsel MICHELLE LIPTON (CA BAR NO. 178078) Senior Corporations Counsel DEPARTMENT OF CORPORATIONS		
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8	Attorneys for Complainant		
9	BEFORE THE DEPAR	TMENT OF CORPOR ATIONS	
10	BEFORE THE DEPARTMENT OF CORPORATIONS		
11	OF THE STATE OF CALIFORNIA		
12	In the Matter of	)	
13	THE CALIFORNIA CORPORATIONS	FILE NO. CRD#14667	
14	COMMISSIONER,	ORDER SUMMARILY REVOKING BROKER-DEALER CERTIFICATE	
15	Complainant,	PURSUANT TO CORPORATIONS CODE SECTION 25242(c)	
16	v.	)	
17	BROOKSTREET SECURITIES		
18	CORPORATION,	) )	
19	Respondent.	)	
20	Preston DuFauchard, California Corporations Commissioner ("Commissioner") of the		
21	Department of Corporations ("Department") finds:		
22	1. On July 23, 2007, Brookstreet Sec	urities Corporation ("Brookstreet") sent a letter to	
23	the Department indicating that as of June 20, 2007 Brookstreet had a net capital deficiency totaling		
24	\$4,464,137.65.		
25			
26	2. Brookstreet's minimum dollar net	capital requirement was \$250,000. However,	
27	based on its aggregate indebtedness its net capital requirement was \$1,539,968.67. Brookstreet's		
28	net capital as of June 19, 2007 was negative \$2,924,169.		

3. On August 10, 2007, the Commissioner issued an Order Summarily Suspending				
Broker-Dealer Certificate Pursuant to Corporations Code section 25242 against Brookstreet. This				
suspension precluded Brookstreet from engaging in normal broker-dealer activities that solicited or				
facilitated new business, including for existing clients. This suspension did not preclude				
Brookstreet from engaging in activities necessary to the winding down of the business prior to				
filing its BD-W such as liquidating transactions, transferring accounts, forwarding any checks				
received to the clearing firm, National Financial Services, responding to regulatory inquiries, filing				
U-5s for registered representatives, and otherwise fielding client/customer phone calls for account				
servicing or document requests, among other things. This suspension of the broker-dealer				
certificate did not force the filing of Brookstreet's BD-W prior to Brookstreet's completion of its				
wind down activities.				
4. On December 10, 2007, the Commissioner sent a letter to Brookstreet asking for its				
current net capital. Brookstreet never responded to the Commissioner's follow-up letter.				
5. California Corporations Code section 25242(c) provides:				
The commissioner may summarily suspend or revoke the certificate				

- The commissioner may summarily suspend or revoke the certificate of a broker-dealer or investment adviser if he or she ... (5) fails to maintain any capital required by subdivision (c) of section 25216 or by section 25237...
- 6. In light of the foregoing, the Commissioner finds that Brookstreet fails to maintain any capital required by subdivision (c) of section 25216 or by section 25237.

NOW, THEREFORE, GOOD CAUSE APPEARING, it is hereby ORDERED pursuant to California Corporations Code section 25242(c) that the broker-dealer certificate of Brookstreet is hereby revoked.

Dated:	February 10, 2009 Los Angeles, CA	PRESTON DuFAUCHARD California Corporations Commissioner
		ByALAN S. WEINGER
		Lead Corporations Counsel
		Enforcement Division